



Memorandum

To: **Honorable Mayor Seei and the Frisco City Council**
Thru: **George Purefoy**, City Manager
From: **Jason Gray**, Assistant to the City Manager
CC: Curtis Hawk, A. Scott Young
Date: 3/16/2001
Re: Automated Information System Agreement with DynaSource, Inc.

Action Requested:

This item asks you to consider and act upon approval of an agreement with DynaSource, Inc. for a document imaging and management system.

Background Information:

As an ongoing effort to further automate the business processes of the City Staff, and to enable the production of paperless agendas, webposting of City Ordinances, Resolutions, City Council Packets, and other documents we have negotiated an agreement for your consideration with DynaSource, Inc for a document imaging and management system. This system is based on the document management software of LaserFiche, which is the industry standard for municipal government. LaserFiche has been in the document imaging industry since 1987 and now serves over 15,000 customers. It uses industry-standard architecture, file formats, and programs to allow for increased scalability.

City staff has spoken with and visited a number of DynaSource and LaserFiche customers, and without fail, each has been satisfied with the performance and support of their document imaging and management system. In addition, we have sought alternative solution providers including Panasonic, Quest Associates, and Mobius Management and I am convinced that goods and services that DynaSource will provide under this agreement most closely match our business needs and allow for the most efficient use of our limited resources.

In short, this is the missing piece left in our efforts to get to paperless City Council agendas. This agreement provides for all of the software, hardware, and support needs that we have not yet acquired. Implementation time for this system is estimated to be 30 days from the time a Purchase Order is issued.

Board Review/Citizen Input:

The City Council has held two public hearings and has publicly discussed this impetus for this agreement numerous times. I believe that this system will allow us to meet the needs addressed in those public sessions, albeit with what may be a slightly different technical approach than what some have offered as comment. In my experience, there are a number of technologies that we could choose for this system, but the proposed system is the most effective and efficient use of our resources, both short-term and long-term.

Alternatives:

As mentioned above, we investigated several different solutions to this issue. The services provided ranged from much more limited to more advanced than are being proposed with this agreement, and accordingly, the costs associated with implementation of the different systems varied widely. At the lowest level, we spoke with companies that offered components of our needs, but could not achieve the systemic solution that we feel is necessary. At the highest level, we spoke with document management companies that handle billions of documents per month. Prices range from roughly \$45,000 for the lowest level to \$163,000 for the highest level. I feel that the proposed system finds a fair middle ground and meets or exceeds our needs for a not-to-exceed price of \$62,715.00.

Financial Considerations:

The total up-front cost of the proposed system is not to exceed \$62,715.00. This, plus the cost of the IBM ThinkPad Notebook computers (\$20,250.00) falls within the \$85,000 budgetary estimate that I provided to you in December of 2000. The ongoing or annual cost of the system is estimated to be \$10,040.00 for software and hardware maintenance and support.

Legal Review:

This agreement has been reviewed and approved as to form by Rebecca Brewer from the City Attorney's office.

Supporting Documents:

1. Resolution authorizing City Manager to execute Automated Information Systems Agreement by and between the City of Frisco and DynaSource, Inc.
2. Automated Information Systems Agreement by and between the City of Frisco and DynaSource, Inc.

Staff Recommendation:

For the reasons stated herein, I recommend that the City Council consider and approve this agreement and resolution as submitted.

Thank you for your consideration of this item, if I can be of any support, please contact me at 972-335-5551 x125 or by email at atcm@ci.frisco.tx.us.

CITY OF FRISCO, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRISCO, TEXAS
HEREBY AUTHORIZING THE CITY MANAGER OF THE CITY OF FRISCO, TEXAS
TO EXECUTE AN AUTOMATED INFORMATION SYSTEM AGREEMENT BY AND
BETWEEN CITY OF FRISCO AND DYNASOURCE, INC.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
FRISCO, TEXAS:

SECTION 1: The City Manager of the City of Frisco, Texas, is hereby authorized to
execute, on behalf of the City Council of the City of Frisco, Texas, an Automated
Information System Agreement by an between City of Frisco and DynaSource,
Inc., which is attached hereto and incorporated herein for all purposes.

SECTION 2: This Resolution shall take effect immediately upon its passage.

RESOLVED THIS the _____ day of _____ 2001.

Kathleen A. Seei, Mayor

ATTEST TO:

Nan Parker, City Secretary

AUTOMATED INFORMATION SYSTEM AGREEMENT

By and Between the City of FRISCO, Texas and DynaSource, Inc.

On this, the _____ day of _____, 2001, this Automated Information System Agreement ("AGREEMENT") entered into by and between DynaSource, Inc. ("VENDOR"), a Texas Corporation and the City of Frisco ("FRISCO"), a Texas Municipal Corporation, sets forth the terms and conditions under which VENDOR shall provide certain technology services.

WHEREAS, FRISCO desires to engage VENDOR to render consulting services for the development of a Document and File Management System ("SYSTEM"); and

WHEREAS, VENDOR desires to render such technology services for FRISCO upon the terms and conditions provided herein; and

WHEREAS, it is in the best interest of FRISCO and its inhabitants to enter into this AGREEMENT with VENDOR for the provision of such technology services.

NOW THEREFORE, in consideration of the terms, conditions, and covenants herein set forth, FRISCO and VENDOR mutually agree as follows:

1. Scope of Service

This AGREEMENT is for the provision of services necessary to complete a customized Document and File Management System ("SYSTEM"). All services to be provided hereunder shall be as authorized and defined in Attachment "A", which is attached hereto and incorporated herein for all purposes. This AGREEMENT and the Attachment whenever reasonable, shall be construed as being consistent; however, in the event such construction is unreasonable, the provisions of the Attachment shall control.

2. Term

The term of this AGREEMENT shall be from the date executed and first written above until completion and FRISCO'S acceptance of all SYSTEM DELIVERABLES defined in Section A-1 of Attachment "A", unless a Change in Scope of Work Request is mutually agreed upon in writing.

3. Payment

The applicable rates, charges and invoicing information for the SYSTEM shall be as specified in Section A-2 of Attachment "A".

4. Confidentiality of Data

VENDOR and FRISCO acknowledge that in connection with the performance of their respective duties hereunder, VENDOR and FRISCO may be provided with and/or have access to written information and data which is proprietary to the other and which may or may not be marked as proprietary. Both parties agree to keep confidential to the extent allowable by law all such information and data and shall not disclose, divulge, and/or make available in any way the same, either in whole or in part, to any third party, without the other party's prior written consent.

VENDOR and FRISCO agree that without the other's prior written consent, it will not copy and/or reproduce any information and/or data, or sell, assign, disclose,

disseminate, give and/or transfer any such information and/or data and/or any portion thereof to any third party, at any time whether before or after termination of this AGREEMENT to the extent allowable by law.

5. VENDOR Representations

- A. VENDOR represents that it shall at all times exert good faith and due diligence in its performance of its assigned duties under this AGREEMENT.
- B. VENDOR warrants that all services under this AGREEMENT shall be performed in a professional and workmanlike manner. VENDOR further represents that it will perform all services under this AGREEMENT in accordance with all applicable laws, rules regulations, statues and ordinances applicable to VENDOR and its work under this AGREEMENT.
- C. VENDOR represents that it is Qualified Information Systems Vendor (QISV) with the State of Texas holding the vendor identification number 1-76-0489143-6.

6. Termination

In addition to Paragraph 26 herein, this AGREEMENT or any Attachment hereunder may be terminated in the following manner:

- A. Either party may terminate this AGREEMENT upon giving the other thirty (30) days prior written notice; provided, however, that at the time such notice is given, there are no duties or obligations outstanding herein, including Attachment "A";
- B. Either party may terminate this AGREEMENT upon the default of the other party to perform any of its responsibilities and obligations hereunder (the "DEFAULTING PARTY") by giving the DEFAULTING PARTY written notice thereof, provided, however, that such default has not been cured and/or remedied by the DEFAULTING PARTY within thirty (30) days following receipt of such written notice; or
- C. By mutual written consent of the parties.

7. Independent Contractor

It is specifically agreed by the parties that the relationship of VENDOR to FRISCO is that of an Independent Contractor, and VENDOR shall not be entitled to any of the employee benefits provided by FRISCO employees. All personnel and/or independent contractor(s) of VENDOR will be employed and/or retained by VENDOR at the sole cost and expense of VENDOR, and VENDOR shall be responsible for payment of salaries and benefits for such personnel and/or independent contractor(s). Upon FRISCO's notice to VENDOR that any VENDOR employee and/or independent contractor involved in performing work for VENDOR under this AGREEMENT is unacceptable to FRISCO for any reason whatsoever, VENDOR will replace said personnel and/or independent

contractor(s) with personnel and/or independent contractor(s) acceptable to FRISCO, at the sole cost and expense of VENDOR.

8. Non-solicitation of Employees

During the period this AGREEMENT is in effect and for a period of six (6) months thereafter, each party agrees it will not, without the prior written consent of the other party, solicit the employees of the other party for the purpose of offering them employment, retain an employee of the other party, or interfere with the current employment of any employee of the other party. The parties further agree that violations of this Section of this AGREEMENT by one party entitles the other party to pursue all extraordinary relief available at law, including injunctive relief.

9. Indemnification

VENDOR shall defend, indemnify, hold harmless, and exempt FRISCO, its officers, agents, servants, employees, and Council members of and from any and all claims, suit, actions, legal proceedings, demands, damages or judgments, including all expenses, other fees, witness fees, costs, and costs and expenses of appeals therefrom, arising out of, or relating to the performance of the services provided herein, including, but not limited to, the intentional or negligent acts and/or omissions of VENDOR, its officers, agents, representatives, employees, licensees, invitees, contractors, and subcontractors.

10. Non-Assignability

This AGREEMENT may not be assigned without the prior written consent of the other party.

12. Notices

Any notice required or permitted to be given hereunder shall be sent by prepaid certified mail, return receipt requested and shall not be deemed to have been given until received by the other party. Until either party hereto advises the other party of a change in delivery address, all notices shall be sent to the respective address specified in this AGREEMENT to the attention of the applicable addressee, if any, noted below:

If to VENDOR: Charles E. Beard, President
DynaSource, Inc.
975 IH-10 North
Beaumont, Texas 77706

If to FRISCO: City Manager
City of Frisco
6891 Main Street
FRISCO, TX 75034

13. Force Majeure

Neither party shall be responsible for delays or failure in performance resulting from acts beyond its control. Such acts shall include, but not be limited to, Acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental regulations, fire, earthquakes or other disasters.

14. Entire Agreement

This AGREEMENT is the complete integration of the entire AGREEMENT of the parties. Any amendment or modification to this AGREEMENT or to the Attachments to this AGREEMENT shall be in writing, dated and signed by the parties.

15. Savings Clause

If any provision in this AGREEMENT shall be found to be illegal, invalid or unenforceable, then the remaining provisions to the AGREEMENT shall remain in full force and effect, and the illegal, invalid or unenforceable provision shall be modified to the extent necessary to alleviate the illegality, invalidity or unenforceability, with such modified provision to be construed as a part of this AGREEMENT as if it were originally contained in the AGREEMENT.

16. Choice of Law

The construction, operation, validity, and effect of this AGREEMENT shall be construed in accordance with the laws of the State of Texas.

17. Jurisdiction of Disputes

The parties agree to submit any dispute arising from this AGREEMENT to a court of competent jurisdiction in Collin County, Texas.

18. Consideration

This AGREEMENT is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

19. Counterparts

This AGREEMENT may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

20. Authority to Execute

The individuals executing this AGREEMENT on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action had been taken to authorize the individual who is executing this AGREEMENT to do so for an on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this AGREEMENT in order for the same to be an authorized and binding AGREEMENT on the party for whom the individual is signing this AGREEMENT and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

21. Binding Effect

This AGREEMENT shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives and successors.

23. Sovereign Immunity

The parties agree that FRISCO has not waived its sovereign immunity by entering into and performing its obligations under this AGREEMENT.

24. Representations

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared **GEORGE PUREFOY**, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he/she acknowledges to me he/she is the duly authorized representative for the **CITY OF FRISCO** and he/she executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2001.

Notary Public in and for the
State of Texas

My Commission Expires:

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared **CHARLES E. BEARD**, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he/she acknowledges to me he/she is the duly authorized representative for **DYNASOURCE, INC.** and he/she executed said instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2001.

Notary Public in and for the
State of Texas

My Commission Expires:

ATTACHMENT "A"

Automated Information Services Agreement
By And Between City Of Frisco, Texas And DynaSource, Inc.

Section A-1 Project Deliverables

Imaging Software and Support	Price
LaserFiche Windows NT (10 user)	\$13,295.00
LaserFiche Windows NT Software Assurance Program (10 user – 1 st Year)	\$3,220.00
LaserFiche Weblink Power Pack 50	\$13,295.00
LaserFiche Weblink Power Pack 50 Software Assurance Program (1 st Year)	\$3,315.00
LaserFiche Plus Plug-in	\$3,605.00
LaserFiche Plus Plug-in Software Assurance Program (1 st Year)	\$1,510.00
LaserFiche Snapshot (Unlimited users)	\$2,370.00
LaserFiche Snapshot Software Assurance Program	\$475.00
LaserFiche E-Mail (Unlimited users)	\$1,895.00
LaserFiche E-Mail Software Assurance Program	\$380.00
Kofax Adrenaline Capture Engine – per scanning station	\$160.00
Imaging Software and Support Subtotal	\$43,520.00

Scanning Hardware	Price
Ricoh IS450DE Duplex Scanner	\$7,595.00
Scanning Hardware Subtotal	\$7,595.00
SOFTWARE, SUPPORT AND HARDWARE TOTAL	<u>\$51,115.00</u>

DynaSource Professional Services	Price
DynaSource Remote Technical Support (1 st Year)	\$1,140.00 LS
Installation, Integration, and Training	\$65.00 per hour (not to exceed 60 hours without prior written approval by FRISCO)
Lodging, Meals, and Travel	\$120.00 per person per day (not to exceed 8 person-days without prior written approval by FRISCO)
DynaSource Database Conversion	\$140.00 per hour (not to exceed 40 hours without prior written approval by FRISCO)
Professional Services Subtotal	Not to exceed \$11,600.00 without prior written approval by FRISCO

Section A-2 Payment Schedule

Each item listed above is to be invoiced by VENDOR to FRISCO referencing the specific good or service as a separate line item as referenced in Section A-1 of this Attachment.

FRISCO will pay to Vendor an amount not to exceed the Subtotal detailed herein as Attachment "A", Section A-1 for "Imaging Software and Support" and "Scanning Hardware" within fifteen (15) working days of delivery to FRISCO.

FRISCO will pay to Vendor an amount not to exceed one-half (1/2) of the Subtotal detailed herein as Attachment "A", Section A-1 for "DynaSource Professional Services" within thirty (30) days of FRISCO satisfactorily receiving Installation, Integration, and Training of the System.

FRISCO will pay to Vendor the balance in an amount not to exceed one-half (1/2) of the Subtotal detailed herein as Attachment "A", Section A-1 for "DynaSource Professional Services" within thirty (30) days of FRISCO satisfactorily receiving the completion of "Database Conversion".

FRISCO is a home-rule municipal corporation operated and funded on an October 1 to September 30 basis; accordingly, FRISCO reserves the right to terminate, without liability to FRISCO, any contract for which funding is not available.